CIRCULAR

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Office of the Secretary to the
Government of the Federation,
The Presidency,
Shehu Shagari Complex,
Three Arms Zone,
Abuja.
10th July, 2012

Chief of Staff to the President, Deputy Chief of Staff to the Vice President, All State Governors, Honourable Ministers/Ministers of State, Head of the Civil Service of the Federation, Chief Economic Adviser to the President. Special Advisers/Senior Special Assistants, Service Chiefs/Inspector-General of Police, Governor, Central Bank of Nigeria, Chairman, Federal Civil Service Commission, Chairman, Police Service Commission, Chairman, Code of Conduct Bureau, Chairman, Code of Conduct Tribunal, Chairman, Federal Character Commission, Chairman, Revenue Mobilization, Allocation and Fiscal Commission, Chairman, Federal Inland Revenue Service, Chairman, Independent National Electoral Commission, Chairman, National Population Commission, Chairman, Independent Corrupt Practices and other Related

Offences Commission,

Chairman Economic and Financial Crimes Commission,
Chairman, National Drug Law Enforcement Agency,
All Permanent Secretaries and Heads of Extra-Ministerial
Departments,

Clerk of the National Assembly,

Chief Registrar, Supreme Court of Nigeria,

Secretary, National Judicial Council,

Auditor-General for the Federation,

Accountant-General of the Federation,

Directors-General/Chief Executives of Parastatals, Agencies and Government-Owned Companies.

ADDITIONAL RESPONSIVE CRITERION AND PRESCRIBED THRESHOLD FOR PROCUREMENTS THAT REQUIRE SUBMISSION OF BID SECURITY

It has come to the attention of Government that some Ministries, Departments and Agencies (MDAs) are not complying with Section 6(2) of the Industrial Training Fund (ITF) Amended Act, No. 19 of 2011 which stipulates that, "Any supplier, contractor or consultant bidding or soliciting Contracts, businesses, goods and services from any Federal Government Ministry, Department, Agency, commercial, industrial and private entity shall fulfil statutory obligations of his employees with respect to payment of training contribution to the Fund".

2. To ensure strict compliance with the foregoing provisions of the law, it has become necessary to reiterate that all MDAs must henceforth include compliance with Section 6(2) of the ITF Amended Act as an additional "responsive criterion" for eligibility to bid or solicit for procurement of

Department or Agency (MDA). Pursuant to this, Ministries, Departments and Agencies of Federal Government are to ensure that their Advertisements for the execution of new projects and programmes (whether for Prequalification, Financial Bids or combined exercises) unambiguously request prospective bidders to provide the following:

- (a) evidence of payment of Training Contributions to the Fund; and
- (b) evidence of compliance with the Employees' Compensation Act which requires that all Employers of Labour must remit 1% of the total annual emolument of their workers to the Nigerian Social Insurance Trust Fund.
- 3. Furthermore, in line with the provisions of Section 26(1) of the Public Procurement Act, 2007, all procurements valued in excess of the sums as prescribed in Table 1.0 below shall require a bid security in an amount not more than 2% of the bid price by way of a Bank Guarantee issued by a reputable bank acceptable to the procuring entity. The standard format for Bid Security is as contained in the Standard Bidding Documents issued by the Bureau of Public Procurement.

TABLE 1.0: PRESCRIBED THRESHOLD FOR PROCUREMENTS THAT REQUIRE SUBMISSION OF BID SECURITY

BID CATEGORY	IGOODS	WORKS	CONSULTANCY	NON-CONSULTANCY
			SERVICES	SERVICES
VALUE OF	N100 Million and	H300 Million and	Nation and Million and	M100 Million and above '
PROCUREMENT	above	above	above	

5. All Accounting Officers should accordingly ensure strict compliance with the contents of this Circular which takes immediate effect.

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Secretary to the Government of the Federation